



**Missouri Health & Educational Facilities Authority**  
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(636) 519-0700 FAX: (636) 519-0792 [www.mohefa.org](http://www.mohefa.org)



*BJC Health Care*

*Southwest Baptist University*





*Life Flight Eagle*



*The Barstow School*

MISSOURI HEALTH & EDUCATIONAL

**M**HEA

FACILITIES

AUTHORITY

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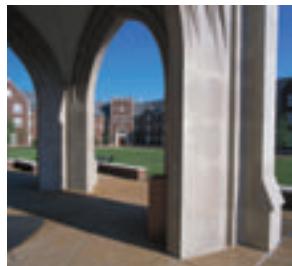
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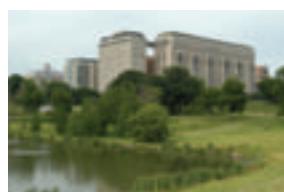
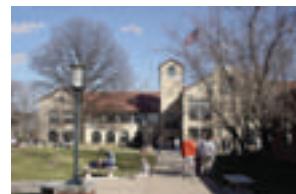
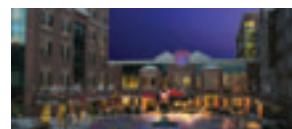
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## Chair's Letter

As in recent years, the Missouri Health and Educational Facilities Authority saw a large volume of financing activity in 2003 for both the educational and health care sectors in Missouri. The list of borrowers taking advantage of access to the capital markets ranged from the very small to the very large and everywhere in between. In addition, once again the diversity of borrowing institutions was very broad including large universities, small elementary/secondary schools, medical evacuation aircraft and very large multi-state health systems. The Authority is very pleased to be able to assist Missouri's fine institutions with financing capital projects.

2003 was another year of change for the Authority membership. In July, John W. Siscel, III, Ed.D. of St. Louis was appointed to the board by Governor Bob Holden. Dr. Siscel brings a wealth of knowledge and experience to the board from his position as Executive Vice President of the Mechanical Contractors Association of Eastern Missouri and from his association with past and present public boards in Missouri. The MoHEFA members and staff look forward to working with John in furthering the goals of the Authority.

The Authority members and staff would like to thank outgoing member, Thomas S. Thomas of Columbia, for his 12 years of tireless service to MoHEFA. Tom served as a member, treasurer, vice-chair and chair of the Authority during that period. He also served in various roles with the National Council of Health Facilities Finance Authorities. Tom's knowledge of the health care industry and especially the challenges facing Missouri health care providers was a great value to the Authority. MoHEFA wishes the best of luck to Tom in the future.

The Authority's financing volume for 2003 of \$1,016,497,678 was the third highest in its history. In terms of numbers of issues, 21 was the second highest total. Hopefully this is a sign that the economic climate for Missouri's health and educational institutions is once again becoming more conducive to capital improvement and increased financial strength. Also encouraging is the continued involvement of new Authority financing participants. Some of these institutions have never issued bonds, others have, but not in a very long time.

Several frequent health care borrowers completed transactions in 2003. In Kansas City, Children's Mercy Hospital and Saint Luke's Health System issued bonds. BJC Health Care and SSM Health Care closed transactions in St. Louis while Lake Regional Health System in Osage Beach accessed the market. While a frequent borrower nationwide, Ascension Health, the nation's largest

not-for-profit health care system, issued its first bonds through MoHEFA after its entrance into the Missouri market once again.

Higher education borrowers were once again active in Missouri. Drury University in Springfield and Southwest Baptist University in Bolivar each issued through the Authority. Ranken Technical College, Saint Louis University and Missouri Baptist University, all in St. Louis, completed financings. Washington University in St. Louis, one of MoHEFA's most frequent borrowers issued two series of bonds. The Higher Education Working Capital Revenue Anticipation Note Program was successful in its eighth consecutive year. Five universities and colleges borrowed through the Program to alleviate short term cash flow deficits created by the timing of tuition revenue receipts throughout the year.

Continuing a trend from the last several years, financing of improvements and expansions for private elementary and secondary schools was a significant portion of MoHEFA's activity. Many of these schools in Missouri have gotten financially stronger over recent years and are active in the capital markets. Barstow School in Kansas City and John Burroughs School is St. Louis each issued bonds in 2003. The Authority now has issued bonds for over 20 financings of Missouri's private elementary and secondary schools. In addition, MoHEFA's second charter school transaction was completed for first-time borrower Academie Lafayette in Kansas City.

The Authority is involved in two ways with Missouri's public school districts. The first is the Missouri School District Advance Funding Program. This Program is designed to assist districts with their calendar year-end cash flow deficits created by the lag in receipt of property tax payments. The Authority issues notes on behalf of the districts to fund the very short term deficits until tax payments are made. The Program has been extremely popular and 2003 was the 19th year with total assistance to Missouri school districts of over \$1 billion.

The other public school district program is the Missouri School District Direct Deposit Program. In 2003 the DDP completed its eighth year with almost 800 school bond issues participating for over \$4.25 billion. The DDP is sponsored by the State of Missouri and provides a mechanism for direct deposit of state aid to a trustee thereby increasing the district's credit strength and achieving an AA+ rating from Standard & Poor's.

In addition to new Authority borrowers Ascension Health and Academie Lafayette, City Academy in St. Louis, Lutheran High School of St. Charles County and LifeFlight Eagle in Kansas City issued bonds through MoHEFA for the first time. It

is very satisfying to the members, staff and advisors to be able to extend the benefits of improved access to the capital markets to new borrowers.

MoHEFA members, staff and advisors remained active in various state and national organizations involved in improving access to financing. Involvement in the National Council of Health Facilities Finance Authorities and the National Association of Higher Educational Facilities Authorities provides valuable insight into problems, procedures and issues around the country. Associate membership in the Missouri Hospital Association, Missouri School Boards Association and the Missouri Association of School Administrators also helps the members, staff and advisors stay informed.

On the eve of the Authority's 25th anniversary of active bond issuance in 2004, MoHEFA is more active than ever with an increasingly diverse constituency. Missouri's long list of excellent health and educational institutions and organizations of all types are ever-improving and our members, staff and advisors take pride in having assisted with financing of the many vital projects. As MoHEFA enters its 25th year, please feel free to contact us with any questions, comments or suggestions and to be a part of financing the future of our state's fine health and educational providers.



Robert E. Bell  
Chair of the Authority  
2003

## Authority Members

### *Robert E. Bell, Chair*

Mr. Bell, a resident of St. Louis, Missouri, is President and Chief Executive Officer of Robert E. Bell and Associates, a management-consulting firm, Chairman of Profit Max Inc., a performance improvement company, and a former Senior Vice President of Ralston Purina Company. Mr. Bell is a former Chairman of the St. Louis Private Industry Council and The Urban League of Metropolitan St. Louis. He is presently or has served as a board member of the Urban League, the United Way of Greater St. Louis, the Missouri Employment and Training Council, and Human Resource Management Corporation. He also served on the Civic Progress Dialogue Group and The Black Leadership Roundtable and is involved in many other community and business organizations. Term as a member expired July 30, 2003.

### *Nadia T. Cavner, Vice Chair*

Ms. Cavner, a resident of Springfield, Missouri is a Senior Vice-President and Senior Financial Consultant with US Bancorp Investments, Inc. She serves on the advisory councils of Putnam Investments and Franklin Templeton Funds. She has been ranked the top Banking Broker in the United States with Putnam Investments for the past five years. Her sales results are among the top 1% in the investment industry. Ms. Cavner has been in the investment industry for the past eleven years. Term as a member expires July 30, 2007.

### *Jeffrey J. Simon, Treasurer*

Mr. Simon is a practicing attorney with the law firm of Husch & Eppenberger, LLP in Kansas City, Missouri. He is a graduate of the University of Missouri-Columbia, earning his B.A. in English in 1985 and his law degree (cum laude) in 1988. Mr. Simon was a member of the Board of editors of the Missouri Law review and a member of the Order of the Coif. Upon graduating from law school, Mr. Simon served as law clerk to the Honorable Howard F. Sachs, in the United States District Court for the Western District of Missouri, from 1988-1990. Mr. Simon is licensed to practice in all trial and appellate courts, state and federal, in Missouri and Kansas. Mr. Simon practices in the business litigation area, with a particular emphasis on litigating copyright, trademark and trade secret disputes. Mr. Simon is the former President of the Kansas City Board of Police Commissioners, having been appointed by Governor Mel Carnahan in 1996 and serving on the Board

through May 2000. Mr. Simon is Chairman of the Police Athletic League of Kansas City, Inc., a member of the Board of Directors of the Lawyers Association of Kansas City, and is active in other philanthropic and civic affairs in the Kansas City area. Term as a member expires July 30, 2005.

### *Jewel L. Hunter*

Mr. Hunter, a resident of St. Louis County, Missouri, is a developer of residential and commercial property in Franklin County and St. Louis County. He is a charter organizer and Director of the Central West End Savings Bank and has served as Secretary since the bank was chartered in 1979. He is retired from the Small Business Administration, where he was an Assistant Director. Mr. Hunter served ten years on the Board of Equalization of St. Louis County, including three years as Chairman. He has served as Regional Governor and Secretary of the National Executive Board of the American Society of Appraisers and also as President of the St. Louis Chapter of the A.S.A. He is a member of the Appraisal Institute and the International Association of Assessing Officers and is active in numerous business, professional and civic groups in the St. Louis area. Term as a member expires July 30, 2004.

### *John W. Siscel, III, Ed.D.*

John W. Siscel, Ed.D., CAE has been the Executive Vice President of the Mechanical Contractors Association of Eastern Missouri, Inc. since 1990 and started his association career in a similar post with the Plumbing Industry Council in 1980. Siscel has earned Doctorate in Education Administration from the University of Missouri and served as Superintendent of Schools of the Dora R-III public schools prior to commencing his association service. John has also served as Administrator of the New Hope Living and Learning Center. In the association world, Siscel was President of the St. Louis Society of Association Executives (1987-88) and has served as Chairman of the Association Executives Council of the Mechanical Contractors Association of America in 1998-1999. He holds the highest distinction, Certified Association Executive (CAE), from the American Society of Association Executives and was recently elected to a 3 year term on the 24,000 member organization's 24 member Board of Directors. John's civic service is highlighted by service as member from 1994-2003 (and past

Chairman) of the Board of Trustees of the Metropolitan St. Louis Sewer District, and as a member of the Board of Regents of Harris Stowe State College from 1992-2000 (appointed by 2 governors, 1 Republican and 1 Democrat). A 33° Scottish Rite Mason, he has been married to the former Barbara Simmons since 1975 and they are parents of a son, John IV, who is employed as an Editorial Help Desk Specialist for Reuters in St. Louis. Term as a member expires July 30, 2006.

### *Donald E. Thompson*

Mr. Thompson, a resident of Troy, Missouri, is Chief Executive Officer of Peoples Bank and Trust Company of Lincoln County, President of Lincoln County Bancorp, Inc., Director of Warren County Bancorp, Inc., Chairman and Director of Bank of Louisiana, Chairman and Director of Peoples Bank of Altenberg, Director of Midwest Independent Bank, Director of Bankers Bancorp, Inc., Chairman and Director of Exchange Bank of Missouri, Chairman and Director of Exchange Bank of N.E. Missouri. Mr. Thompson is active in many business and civic organizations. Term as a member expires July 30, 2008.

### *Clifford I. Whipple, Ph.D.*

Dr. Whipple, a resident of Springfield, Missouri, is retired from the teaching and practice of Psychology. He obtained his undergraduate degree from the University of Missouri and his Doctorate degree from the University of Kentucky. He taught Psychology at Southwest Missouri State University for 23 years and then taught at Forest Institute of Professional Psychology. In addition to his teaching, he maintained a private practice in Clinical Psychology. He is a Diplomat and Board certified in Clinical Psychology. He is a past-President of the Missouri Psychological Association and served six years as a member of the State Committee of psychologists. Currently, he is a member of the Board of Directors of Forest Institute of Professional Psychology, and is a volunteer Disaster Mental Health professional for the American Red Cross. Term as a member expires July 30, 2004.

## Authority Representatives

Michael J. Stanard, *Executive Director*

Vincent M. Loretta, *Assistant Director*

Antoinette M. Wilcox, *Administrative Assistant*

Thompson Coburn LLP, *General Counsel*

Stern Brothers & Co., *Financial Advisor*

## Authority Members



*Nadia T. Cavner, Vice Chair*



*Jeffrey J. Simon, Treasurer*



*Robert E. Bell, Chair*



*John W. Siscel, III, Ed.D.*



*Donald E. Thompson*



*Jewel L. Hunter*

### Membership

The Act provides for seven members appointed by the Governor of the State of Missouri, with the advice and consent of the Senate. Each member must be a resident of the State and no more than four members may be of the same political party. Members are appointed for five year terms. Members continue to serve after expiration of their term until a successor is appointed or they are reappointed.



*Clifford I. Whipple, Ph.D.*

## The Authority

The Health and Educational Facilities Authority of the State of Missouri, created by an Act of the Missouri General Assembly and operational in 1979, is empowered to make loans to any participating health or educational institution and to refund outstanding obligations, mortgages or advances issued, made or given for the cost of facilities.

The Authority assists not-for-profit institutions in borrowing funds at the lowest possible cost to provide quality medical and educational services to Missouri residents. Interest paid on Authority bonds and notes is exempt from federal and Missouri state income taxation, resulting in materially lower interest rates for substantial savings on financing cost.

Many types of health care and educational institutions across the state receive financing assistance from the Authority. Health care financings have been arranged for health facilities ranging from fewer than 100 to over 1,000 beds, including acute and primary care facilities, teaching and research centers, osteopathic hospitals, retirement and nursing homes, specialized care centers and alcoholic rehabilitation treatment centers. Educational financings include public universities, liberal arts colleges, major research universities and medical schools, institutions of specialized instruction, public school districts, private elementary and secondary schools and charter schools.

During 1985 the Authority became authorized to assist public school districts and community colleges with loans to fund shortfalls in operating funds during the school year. Higher education institutions also can be assisted with cash flow shortages.

In 1988, the Authority issued a series of bonds designed to assist organizations that provide care for persons affected by mental disabilities.

During 1995, the Authority was charged with developing guidelines for and the administration of the Direct Deposit Program, which provides strong credit ratings for Missouri school districts. The Authority also developed the HELP Program, which provides low interest loans to small and/or rural health care and educational facilities.

The Authority's bonds and notes do not constitute a debt or liability of the State of Missouri or of any political subdivision thereof, within the meaning of any State constitutional provision or statutory limitation. The Authority has no taxing power. The credit supporting any Authority note or bond issue is the credit of the individual borrowing institutions. The bonds and notes are limited obligations of the Authority payable solely from payments made by the borrowing institution.

The validity of the Authority's Act was upheld by the Missouri Supreme Court in Menorah Medical Center vs. Health and Educational Facilities Authority of the State of Missouri 584 S. W. 2d 73 (MO 1979).

## Financial Services

The Authority assists health care and educational institutions in financing equipment purchases and capital projects at the lowest possible cost. Financing options that the Authority offers to Missouri institutions consist of the following debt instruments:

### Variable Floating Rate Bonds

While these instruments have a nominal long-term maturity, the interest rate is adjusted periodically (usually daily or weekly). The borrower is able to take advantage of low short-term rates, but also, if conditions warrant, to lock in a fixed interest rate without many of the costs associated with a new issuance of bonds. During 2002, weekly adjustable rates ranged from a low of .74% to a high of 1.37% with an average rate of 1.05%.

### Fixed Rate Bonds

#### Short To Intermediate Term Bonds

A variation of traditional fixed rate long-term bonds, these fully amortized bonds are for borrowers who desire shorter prepayment provisions and can generate sufficient revenues to retire the principal over a shorter maturity. The bonds are generally issued for periods ranging from 10-15 years, with a 5-8 year prepayment provision.

#### Long-Term Bonds

These traditional 20 to 60 year fully amortized term bonds are issued at prevailing market rates. This type of instrument offers the security of fixed rates and the opportunity to stabilize interest costs in a volatile market while matching a longer term liability with the expected useful life of the asset.

### Floating Or Fixed Rate Notes

The interest rate on these one to two year notes either floats, with the rate adjusted periodically, or is fixed for its term. The borrower is able to take advantage of lower interest rates while planning long-term financing according to projected needs.

### Refundings Of Prior Debt

Health care and educational institutions often refinance to take advantage of lower interest rates in the market place than existed at the time of prior financing. Similarly, such institutions often wish to avoid restrictive covenants or collateral requirements contained in a prior financing that would no longer be necessary in a new financing. The Authority has the ability to issue "refunding bonds" which can accomplish these goals. Such bonds often can be issued to refund the institution's obligations even if the Authority was not involved in the original financing. Such "refundings" may, depending on the terms of the prior financing and what is advantageous at the time, either be "current" refundings in which the prior debt is paid off within 90 days of the issuance of the new bonds, or "advance" refundings in which the proceeds of a new bond issue are placed in escrow to pay off the old bonds at some designated time in the future. The Tax Reform Act of 1986 placed restrictions on advance refundings, yet most institutions are still able to take advantage of this financing technique.

## Programs

### School District Advance Funding Program

In 1985 the Authority and the Missouri School Boards Association established the Missouri School District Advance Funding Program to provide the lowest cost financing available for Missouri school districts and public community junior colleges to fund any cash flow deficits that might occur in their various funds during the fiscal year. Some of the advantages of participating in the program include low borrowing rates, high investment rates, costs of issuance shared by all participants and easy access to funds. Since 1985, over \$1.1 billion has been loaned to participants under the Advance Funding Program.

### HELP Program

The Authority, recognizing the difficulty that small and/or rural providers of health care and educational services experience obtaining adequate financing for their capital needs, in 1995 created the HELP program to provide these organizations access to low cost loans.

Through the HELP Program, the Authority loans up to \$200,000 for a maximum of ten years at attractive interest rates to small and rural health care and educational providers.

Sixteen institutions have taken advantage of the benefits of this program.

### Higher Education Working Capital Loan Program

During 1996, the Authority established the Higher Education Working Capital Loan Program to help alleviate cash flow difficulties that are typically experienced during part of each fiscal year by higher educational institutions. The Program allows participating institutions to borrow money under an advance funding agreement to provide funds during that portion of its current fiscal year when funds are not yet on hand to pay expenses as incurred.

As of December 31, 2003, \$134.23 million of notes have been issued under this program.

### Direct Deposit Program

In 1995, the Missouri Legislature adopted Senate Bill No. 301 which sets forth the development of a program to assist Missouri school districts with their financing needs. The Direct Deposit Program, administered by the Authority, provides two principal benefits to school districts issuing general obligation bonds.

First, in an effort to improve the credit quality of all school districts in Missouri, the Program, effectively, provides for credit enhancement by authorizing the direct deposit, by the State of Missouri to a bank serving as trustee, of a portion of state aid payments that would otherwise be paid directly to the involved school district. The direct deposit amount is equal to debt service on the school district bonds. This procedure results in a credit rating in the second highest rating category (i.e. "AA+"), resulting in attractive interest rates on the bonds at no additional cost to the participating district or the State.

Second, to assist the school districts with the costs involved in issuing such bonds, if the State's budget permits, the Program provides for the payment of a grant to participating school districts for the lesser of 2% of the par amount of the bonds issued or the actual reasonable costs of issuance as determined by the Authority.

As of June 30, 2003, 792 financings have been processed through the program, representing \$4.28 billion of bonds issued.

## Institutions

Ava  
Deaconess Long Term Care  
Bellevue  
Deaconess Long Term Care  
Belton  
Dialysis Clinic, Inc.  
Bolivar  
Southwest Baptist University  
Boonville  
Valley Hope Association  
Branson  
Skaggs Community Hospital  
Buffalo  
Deaconess Long Term Care  
Cape Girardeau  
Saint Francis Medical Center  
Southeast Missouri Hospital  
Cassville  
Deaconess Long Term Care  
Chesterfield  
Logan College of Chiropractic  
St. Luke's Episcopal-Presbyterian Hospital  
Clinton  
Dialysis Clinic, Inc.  
Columbia  
National Benevolent Association:  
-Lenoir Retirement Community  
-Woodhaven Learning Center  
Stephens College  
University of Missouri - Columbia  
Crystal City  
Jefferson Memorial Hospital  
Farmington  
Mineral Area Regional Medical Center  
Fayette  
Central Methodist College  
Fulton  
Westminster College  
William Woods University  
Hannibal  
Hannibal-LaGrange College  
Harrisonville  
Deaconess Long Term Care  
Humansville  
Deaconess Long Term Care  
Jefferson City  
Capital Region Medical Center  
Dialysis Clinic, Inc.  
Joplin  
Freeman Health System  
Kansas City Area  
Academie Lafayette  
Baptist Medical Center  
The Barstow School  
Children's Mercy Hospital  
Coordinated Professional Services  
Deaconess Long Term Care  
Health Midwest

# Institutions

## Kansas City Area continued

Kansas City Academy  
 Kansas City Art Institute  
 LifeFlight Eagle  
 Menorah Medical Center  
 The Pembroke Hill School  
 Rockhurst High School  
 Rockhurst University  
 Saint Luke's Hospital  
 Saint Luke's Northland Hospital  
 Saint Luke's/Shawnee Mission Health System  
 St. Joseph Health Center  
 Stowers Institute for Medical Research  
 Swope Parkway Health Center  
 Trinity Lutheran Hospital  
 Truman Medical Center  
 University of Health Sciences  
 University of Missouri - Kansas City  
Kirksville  
 Dialysis Clinic, Inc.  
 Kirksville College of Osteopathic Medicine  
Lee's Summit  
 John Knox Village  
Lewistown  
 Deaconess Long Term Care  
Liberty  
 William Jewell College  
Marshall  
 John Fitzgibbon Memorial Hospital  
 Missouri Valley College  
Marshfield  
 Deaconess Long Term Care  
Mexico  
 Audrain Medical Center  
Moberly  
 Dialysis Clinic, Inc.  
 Monett  
 Deaconess Long Term Care  
 Neosho  
 Freeman Neosho Hospital  
O'Fallon  
 Living Word Christian School  
Osage Beach  
 Lake Regional Health System  
Parkville  
 Park University  
Potosi  
 Deaconess Long Term Care  
 St. Charles  
 Parkside Meadows  
St. Joseph  
 Heartland Health System  
St. Louis Area  
 Ascension Health  
 Anheuser Busch Eye Institute  
 Area Rescue Consortium of Hospitals (ARCH)  
 BJC-Barnes-Jewish Hospital  
 Bethesda Barclay House  
 Bethesda Gardens

Bethesda Health Group  
 Bethesda West  
 BJC Health Care  
 John Burroughs School  
 Central Institute for the Deaf  
 Christian Brothers College High School  
 BJC-Christian Hospitals NE & NW  
 City Academy  
 The Community School  
 Deaconess Health Services  
 DeSmet Jesuit High School  
 Family Care Health Center  
 Fontbonne College  
 Forsyth School  
 Incarnate Word Hospital  
 Lutheran High School Association  
 Lutheran Senior Services  
 Maryville University  
 Missouri Baptist University  
 BJC-Missouri Baptist Medical Center  
 National Benevolent Association  
 Ranken Technical College  
 Saint Louis Priory School  
 Saint Louis University  
 St. Alexius Hospital  
 St. Anthony's Medical Center  
 St. John's Mercy Medical Center

St. Louis Charter School  
 BJC-St. Louis Children's Hospital  
 St. Louis College of Pharmacy  
 St. Louis University High School  
 Sisters of Mercy Health System  
 SSM Health Care  
 University of Missouri - St. Louis  
 The Visitation Academy  
 The Washington University  
 Webster University  
St. Peters  
 Lutheran H.S. of St. Charles County  
Sikeston  
 Missouri Delta Community Hospital  
 Smithville  
 Saint Luke's Northland Hospital  
Springfield  
 Assemblies of God Financial Services Group  
 Cox Health System  
 Drury University  
 Evangel University  
 St. John's Regional Health Center  
 Southwest Missouri State University  
Warrensburg  
 Central Missouri State University



## Cumulative Summary of Financings

Year	Public Issue Bonds		Private Issue Bonds		Notes		#	Total Amount
	#	Amount	#	Amount	#	Amount		
1979	1	63,100,000	—	—	1	20,000,000	2	83,100,000
1980	3	112,765,000	2	5,795,000	3	23,245,000	8	141,805,000
1981	4	79,285,000	3	20,350,000	4	94,000,000	11	193,635,000
1982	4	113,935,000	—	—	3	61,000,000	7	174,935,000
1983	4	155,350,000	4	96,110,000	—	—	8	251,460,000
1984	2	34,890,000	2	109,465,000	—	—	4	144,355,000
1985	16	612,625,000	3	23,825,000	1	75,550,000	20	712,000,000
1986	2	32,500,000	—	—	—	—	2	32,500,000
1987	11	417,324,350	1	5,500,000	1	13,515,000	13	436,339,350
1988	6	241,485,000	—	—	1	26,055,000	7	267,540,000
1989	12	521,229,952	1	15,000,000	2	42,920,000	15	579,149,952
1990	8	220,408,035	—	—	2	56,410,000	10	276,818,035
1991	8	285,934,996	3	14,175,000	1	70,200,000	12	370,309,996
1992	11	547,163,306	1	2,500,000	1	76,110,000	13	625,773,306
1993	13	758,002,437	2	1,600,000	1	9,500,000	16	769,102,437
1994	8	355,520,000	2	4,734,257	1	50,010,000	11	410,264,257
1995	6	280,570,000	2	13,588,625	2	74,825,000	10	368,983,625
1996	14	390,595,000	3	9,470,000	1	100,360,000	18	500,425,000
1997	6	91,975,000	—	—	2	100,355,000	8	192,330,000
1998	15	982,127,211	5	24,036,607	2	88,355,000	22	1,094,518,818
1999	16	310,430,000	1	1,341,848	2	64,735,000	19	376,506,848
2000	9	553,785,000	2	8,290,832	2	75,440,000	13	637,515,832
2001	14	1,266,200,000	3	13,035,894	2	75,620,000	19	1,354,855,894
2002	13	497,755,000	3	18,910,498	3	73,625,000	19	590,290,498
2003	16	888,100,000	3	17,347,678	2	111,050,000	21	1,016,497,678
Total	222	\$9,813,055,287	46	\$405,076,239	40	\$1,382,880,000	308	\$11,601,011,526

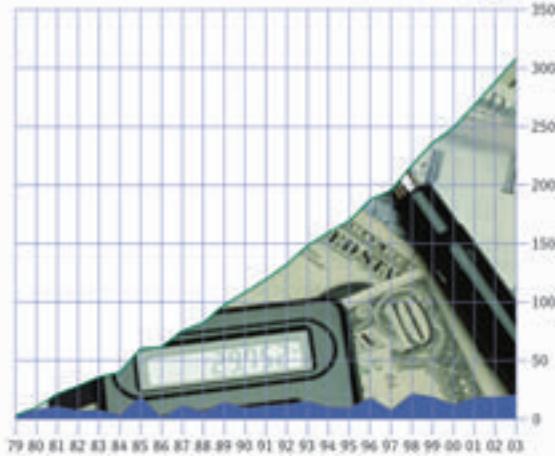
Cumulative dollars (in billions) by year

Dollars (in billions) by year



Cumulative number of financings by year

Number of financings by year



*City Academy*



*The Barstow School*



## Projects Financed

Institution 2003 .....	Location	Amount
Missouri Baptist University.....	St. Louis	7,420,000
The Washington University .....	St. Louis	93,430,000
Drury University.....	Springfield	5,600,000
The Barstow School .....	Kansas City	6,000,000
Academie Lafayette .....	Kansas City	2,550,000
The Washington University .....	St. Louis	25,135,000
John Burroughs School .....	St. Louis	6,640,000
Ascension Health.....	St. Louis	295,375,000
Higher Education Revenue Anticipation Notes.....	Statewide	14,150,000
Children's Mercy Hospital.....	Kansas City	27, 500,000
City Academy.....	St. Louis	8,735,000
Lutheran H.S. of St. Charles County - L.C.E.F.....	St. Peters	3,200,000
SSM Health Care.....	St. Louis	9,747,678
Southwest Baptist University.....	Bolivar	8,000,000
BJC Health Care .....	St. Louis	221,000,000
Saint Louis University.....	St. Louis	20,460,000
Saint Lukes Health System .....	Kansas City	125,000,000
LifeFlight Eagle.....	Kansas City	4,400,000
Missouri School District Advance Funding Program.....	Statewide	96,900,000
Lake Regional Health System.....	Osage Beach	27,470,000
Ranken Technical College.....	St. Louis	7,785,000
.....		<hr/> \$1,016,497,678

Institution 2002 .....	Location	Amount
Stowers Institute for Medical Research .....	Kansas City	75,000,000
Higher Education Revenue Anticipation Notes.....	Statewide	18,335,000
Children's Mercy Hospital .....	Kansas City	50,000,000
Higher Education Revenue Anticipation Notes.....	Statewide	3,100,000
Lutheran High School Association .....	St. Louis	6,500,000
SSM Health Care.....	St. Louis	9,958,188
Cox Health System.....	Springfield	85,000,000
Saint Louis University.....	St. Louis	24,000,000
SSM Health Care .....	St. Louis	133,565,000
Living Word Christian School .....	O'Fallon	4,865,000
Rockhurst High School .....	Kansas City	5,500,000
Truman Medical Center .....	Kansas City	4,087,310
Missouri School District Advance Funding Program.....	Statewide	52,190,000
Rockhurst University.....	Kansas City	27,275,000
DeSmet Jesuit High School.....	St. Louis	15,000,000
St. Louis Charter School .....	St. Louis	6,130,000
Christian Brothers College High School .....	St. Louis	50,000,000
Southwest Missouri State University .....	Springfield	5,445,000
Central Missouri State University .....	Warrensburg	14,340,000
.....		<hr/> \$590,290,498

Institution 2001 .....	Location	Amount
Family Care Health Center .....	St. Louis	3,210,000
Webster University .....	St. Louis	35,000,000
Higher Education Revenue Anticipation Notes.....	Statewide	27,585,000
Assemblies of God Financial Services Group.....	Springfield	80,000,000
SSM Health Care.....	St. Louis	248,570,000
St. Louis College of Pharmacy .....	St. Louis	51,000,000
St. Luke's Episcopal-Presbyterian Hospital .....	Chesterfield	100,000,000
The Washington University .....	St. Louis	176,490,000
Sisters of Mercy Health System .....	St. Louis	378,300,000
The Pembroke Hill School .....	Kansas City	10,000,000
Hannibal-LaGrange College .....	Hannibal	7,435,000
Bethesda Health Group.....	St. Louis	54,385,000
University of Health Sciences .....	Kansas City	8,305,000
The Washington University.....	St. Louis	73,355,000
Missouri School District Advance Funding Program.....	Statewide	48,035,000
Lake Regional Health System.....	Osage Beach	972,062
Missouri Valley College .....	Marshall	8,360,000
SSM Health Care.....	St. Louis	8,853,832
University of Missouri .....	Columbia	35,000,000
.....		<hr/> \$1,354,855,894

## Projects Financed

Institution 2000 .....	Location	Amount
Deaconess Long Term Care of Missouri.....	Statewide	\$6,780,000
The Pembroke Hill School .....	Kansas City	10,000,000
The Washington University .....	St. Louis	155,000,000
SSM Health Care .....	St. Louis	4,290,832
Higher Education Revenue Anticipation Notes.....	Statewide	24,000,000
Maryville University .....	St. Louis	15,000,000
The Washington University .....	St. Louis	9,270,000
Stowers Institute for Medical Research .....	Kansas City	215,000,000
Missouri School District Advance Funding Program.....	Statewide	51,440,000
St. Anthony's Medical Center .....	St. Louis	86,335,000
Dialysis Clinic, Inc. .....	Statewide	4,000,000
Saint Louis Priory School.....	St. Louis	6,400,000
Lutheran Senior Services .....	St. Louis	50,000,000
.....		<u>\$637,515,832</u>

Institution 1999 .....	Location	Amount
William Woods University.....	Fulton	\$8,000,000
National Benevolent Association.....	St. Louis	2,860,000
Rockhurst University .....	Kansas City	15,790,000
St. Louis University High School .....	St. Louis	18,820,000
Higher Education Revenue Anticipation Notes.....	Statewide	26,300,000
The Visitation Academy .....	St. Louis	6,300,000
The Washington University .....	St. Louis	9,135,000
Park University.....	Parkville	6,000,000
Saint Louis University.....	St. Louis	67,000,000
Health Care Pooled Finance Program .....	Statewide	84,000,000
Missouri School District Advance Funding Program.....	Statewide	38,435,000
Central Institute For The Deaf .....	St. Louis	25,245,000
Stephens College.....	Columbia	4,500,000
Kansas City Art Institute .....	Kansas City	10,000,000
Swope Parkway Health Center .....	Kansas City	4,500,000
William Jewell College.....	Liberty	8,000,000
Drury University.....	Springfield	33,080,000
Lake Regional Health System.....	Osage Beach	1,341,848
Central Missouri State University .....	Warrensburg	7,200,000
.....		<u>\$376,506,848</u>

Institution 1998 .....	Location	Amount
Freeman Health System .....	Joplin	\$26,285,000
The Washington University .....	St. Louis	105,770,000
Health Midwest-Park Lane Medical Center .....	Kansas City	13,900,000
Stowers Institute for Medical Research .....	Kansas City	125,000,000
Higher Education Revenue Anticipation Notes.....	Statewide	17,555,000
Southwest Baptist University .....	Bolivar	7,000,000
SSM Health Care.....	St. Louis	292,120,000
Missouri Baptist College .....	St. Louis	3,960,000
Fontbonne College.....	St. Louis	9,400,000
Rockhurst High School .....	Kansas City	13,000,000
Truman Medical Center .....	Kansas City	3,427,107
Lake Regional Health System.....	Osage Beach	961,880
The Children's Mercy Hospital .....	Kansas City	20,595,000
Lake Regional Health System.....	Osage Beach	35,000,000
Saint Louis University.....	St. Louis	74,997,211
The Pembroke Hill School .....	Kansas City	15,000,000
Dialysis Clinic, Inc. .....	Statewide	3,700,000
Heartland Health System .....	St. Joseph	2,047,620
Missouri School District Advance Funding Program.....	Statewide	70,800,000
BJC Health Care .....	St. Louis	225,000,000
The Barstow School .....	Kansas City	4,000,000
Capital Region Medical Center .....	Jefferson City	\$25,000,000
.....		<u>\$1,094,518,818</u>

## Projects Financed

Institution 1997 .....	Location .....	Amount .....
Missouri School District Advance Funding Program.....	Statewide	\$97,155,000
Direct Deposit Program Refunding Pool .....	Statewide	860,000
Ranken Technical College.....	St. Louis	7,265,000
Maryville University .....	St. Louis	9,815,000
Cox Health System.....	Springfield	46,600,000
Lutheran Senior Services .....	St. Louis	25,335,000
Area Rescue Consortium of Hospitals (ARCH) .....	St. Louis	2,100,000
Drury University.....	Springfield	3,200,000
.....		<u><u>\$192,330,000</u></u>

Institution 1996 .....	Location .....	Amount .....
Saint Louis Priory School.....	St. Louis	\$5,000,000
The Washington University .....	St. Louis	142,400,000
Saint Louis University.....	St. Louis	53,000,000
Southwest Missouri State University .....	Springfield	6,500,000
John Fitzgibbon Memorial Hospital.....	Marshall	7,270,000
Saint Francis Medical Center .....	Cape Girardeau	25,000,000
Bethesda Barclay House .....	St. Louis	12,000,000
Forsyth School, Inc.....	St. Louis	1,200,000
National Benevolent Association-Woodhaven Learning Center .....	Columbia	2,355,000
Lake Regional Health System.....	Osage Beach	18,025,000
The Community School Association.....	St. Louis	1,000,000
Missouri School District Advance Funding Program.....	Statewide	100,360,000
Drury University.....	Springfield	12,450,000
Lutheran Senior Services .....	St. Louis	35,285,000
William Jewell College .....	Liberty	6,875,000
Deaconess Long Term Care of Missouri, Inc. .....	Statewide	35,330,000
Saint Luke's/Shawnee Mission Health System, Inc.....	Kansas City	33,655,000
National Benevolent Association-Lenoir Retirement Community.....	Columbia	2,720,000
.....		<u><u>\$500,425,000</u></u>

Institution 1995 .....	Location .....	Amount .....
Deaconess Health Services .....	St. Louis	\$13,000,000
SSM Health Care.....	St. Louis	135,900,000
Missouri School District Advance Funding Program.....	Statewide	69,825,000
Lake Regional Health System.....	Osage Beach	588,625
The Washington University .....	St. Louis	7,600,000
Jefferson Memorial Hospital .....	Crystal City	17,525,000
Central Missouri State University .....	Warrensburg	7,000,000
Rockhurst University .....	Kansas City	8,900,000
Sisters of Mercy Health System .....	St. Louis	103,645,000
Missouri School District Advance Funding Program.....	Statewide	5,000,000
.....		<u><u>\$368,983,625</u></u>

Institution 1994 .....	Location .....	Amount .....
Park University .....	Parkville	\$2,200,000
National Benevolent Association-Lenoir Retirement Community.....	Columbia	5,430,000
John Burroughs School .....	St. Louis	9,040,000
Freeman Health System .....	Joplin	57,530,000
Bethesda Health Group of St. Louis, Inc. ....	St. Louis	44,795,000
University of Health Sciences .....	Kansas City	5,565,000
Coordinated Professional Services .....	Kansas City	2,534,257
Missouri School District Advance Funding Program.....	Statewide	50,010,000
Health Midwest .....	Kansas City	42,425,000
St. Louis University High School .....	St. Louis	15,000,000
BJC Health Care .....	St. Louis	175,735,000
.....		<u><u>\$410,264,257</u></u>

Institution 1993 .....	Location .....	Amount .....
Webster University .....	St. Louis	\$8,190,000
The Skaggs Community Hospital Association .....	Branson	7,500,000
The Jefferson Memorial Hospital Association.....	Crystal City	1,232,437
Heartland Health System .....	St. Joseph	38,740,000
Kansas City Academy .....	Kansas City	200,000

## Projects Financed

The Children's Mercy Hospital .....	Kansas City	35,000,000
Community Provider Pooled Loan Program .....	Statewide	7,195,000
Sisters of Mercy Health System .....	St. Louis	9,800,000
Cox Health System.....	Springfield	60,865,000
Kirksville College of Osteopathic Medicine .....	Kirksville	1,400,000
Saint Louis University.....	St. Louis	69,390,000
Jefferson Memorial Hospital Association .....	Crystal City	20,000,000
Saint Luke's/Shawnee Mission Health System .....	Kansas City	121,675,000
Equipment and Capital Loan Program .....	Statewide	80,535,000
Missouri School District Advance Funding Program.....	Statewide	9,500,000
BJC Health Care .....	St. Louis	297,880,000
		<hr/>
		\$769,102,437

Institution 1992 .....	Location	Amount
Sisters of Mercy Health System .....	St. Louis	\$33,230,000
BJC-St. Louis Children's Hospital.....	St. Louis	82,636,014
Capital Region Medical Center .....	Jefferson City	7,100,000
Missouri School District Advance Funding Program.....	Statewide	76,110,000
Sisters of Mercy Health System .....	St. Louis	28,700,000
Kirksville College of Osteopathic Medicine .....	Kirksville	2,500,000
Cox Health System.....	Springfield	20,347,292
St. Luke's Episcopal-Presbyterian Hospital .....	Chesterfield	10,575,000
Health Midwest .....	Kansas City	9,330,000
Health Midwest .....	Kansas City	143,455,000
Rockhurst University .....	Kansas City	6,370,000
SSM Health Care.....	St. Louis	170,420,000
Heartland Health System .....	St. Joseph	35,000,000
		<hr/>
		\$625,773,306

Institution 1991 .....	Location	Amount
Webster University .....	St. Louis	\$9,900,000
Southeast Missouri Hospital Association.....	Cape Girardeau	34,490,000
Saint Luke's/Shawnee Mission Health System .....	Kansas City	49,415,000
William Jewell College.....	Liberty	6,500,000
BJC-Christian Health Services .....	St. Louis	94,210,000
Missouri School District Advance Funding Program.....	Statewide	70,200,000
Southwest Baptist University .....	Bolivar	5,175,000
Bethesda Gardens, Inc. .....	St. Louis	8,925,000
Saint Louis University.....	St. Louis	24,999,996
BJC-The Jewish Hospital of St. Louis .....	St. Louis	40,000,000
Anheuser-Busch Eye Institute .....	St. Louis	23,995,000
Fontbonne College .....	St. Louis	2,500,000
		<hr/>
		\$370,309,996

Institution 1990 .....	Location	Amount
St. Anthony's Medical Center .....	St. Louis	\$20,000,000
BJC-Missouri Baptist Medical Center.....	St. Louis	47,308,035
Area Rescue Consortium of Hospitals (ARCH) .....	St. Louis	5,100,000
BJC-Missouri Baptist Medical Center.....	St. Louis	20,000,000
Missouri School District Advance Funding Program.....	Statewide	51,410,000
BJC-Barnes Hospital .....	St. Louis	77,650,000
SSM Health Care .....	St. Louis	21,200,000
Missouri School District Advance Funding Program.....	Statewide	5,000,000
Saint Louis University.....	St. Louis	2,245,000
SSM Health Care .....	St. Louis	26,905,000
		<hr/>
		\$276,818,035

Institution 1989 .....	Location	Amount
Saint Louis University.....	St. Louis	\$30,055,383
University of Missouri .....	Various	39,999,569
The Washington University .....	St. Louis	83,300,000
Deaconess Health Services .....	St. Louis	13,000,000
Saint Luke's/Shawnee Mission Health System .....	Kansas City	21,690,000
Sisters of Mercy Health System .....	St. Louis	103,000,000
Missouri School District Advance Funding Program.....	Statewide	36,220,000
Heartland Health System .....	St. Joseph	51,600,000

## Projects Financed

St. Anthony's Medical Center .....	St. Louis	72,200,000
Missouri School District Advance Funding Program.....	Statewide	6,700,000
BJC-Christian Health Services .....	St. Louis	15,000,000
Sisters of Mercy Health System .....	St. Louis	26,545,000
St. Luke's Episcopal-Presbyterian Hospital .....	Chesterfield	32,000,000
Lake Regional Health System.....	Osage Beach	6,000,000
BJC-Missouri Baptist Medical Center.....	St. Louis	41,840,000
.....		<u>\$579,149,952</u>

Institution 1988 .....	Location	Amount
Saint Luke's Northland Hospital .....	Kansas City	\$10,545,000
Capital Region Medical Center .....	Jefferson City	5,010,000
SSM Health Care.....	St. Louis	136,625,000
Community Provider Pooled Loan Program .....	Statewide	8,345,000
Bethesda Health Group of St. Louis, Inc.	St. Louis	15,960,000
Missouri School District Advance Funding Program.....	Statewide	26,055,000
SSM Health Care.....	St. Louis	65,000,000
.....		<u>\$267,540,000</u>

Institution 1987 .....	Location	Amount
BJC-St. Louis Children's Hospital.....	St. Louis	\$67,340,000
Cox Health System.....	Springfield	122,570,000
Capital Region Medical Center .....	Jefferson City	9,560,000
Lake Regional Health System.....	Osage Beach	7,300,000
Deaconess Health Services .....	St. Louis	48,000,000
Bethesda Health Group of St. Louis, Inc.	St. Louis	16,195,000
St. Luke's Episcopal-Presbyterian Hospital .....	Chesterfield	56,800,000
John Knox Village .....	Lee's Summit	12,000,000
Skaggs Community Hospital Association .....	Branson	5,500,000
Stephens College.....	Columbia	5,000,000
Saint Louis University.....	St. Louis	33,270,000
Missouri School District Advance Funding Program.....	Statewide	13,515,000
BJC-Missouri Baptist Medical Center.....	St. Louis	39,289,350
.....		<u>\$436,339,350</u>

Institution 1986 .....	Location	Amount
Webster University .....	St. Louis	\$7,600,000
Freeman Health System .....	Joplin	24,900,000
.....		<u>\$32,500,000</u>

Institution 1985 .....	Location	Amount
Deaconess Health Services .....	St. Louis	\$32,770,000
BJC-The Jewish Hospital of St. Louis .....	St. Louis	38,000,000
Southeast Missouri Hospital Association.....	Cape Girardeau	21,530,000
Parkside Meadows .....	St. Charles	3,500,000
St. Alexius Hospital .....	St. Louis	15,590,000
St. John's Mercy Medical Center .....	St. Louis	23,975,000
Missouri School District Advance Funding Program.....	Statewide	75,550,000
St. John's Mercy Medical Center .....	St. Louis	33,500,000
St. John's Regional Health Center .....	Springfield	35,300,000
Equipment and Capital Loan Program .....	Statewide	130,000,000
BJC-Barnes Hospital .....	St. Louis	18,725,000
BJC-Christian Health Services .....	St. Louis	84,760,000
Incarnate Word Hospital.....	St. Louis	10,000,000
Saint Louis University.....	St. Louis	20,000,000
Saint Louis University.....	St. Louis	8,900,000
St. Louis College of Pharmacy .....	St. Louis	5,000,000
Logan College of Chiropractic.....	Chesterfield	1,600,000
St. Luke's Episcopal-Presbyterian Hospital .....	Chesterfield	60,000,000
BJC-Barnes Hospital .....	St. Louis	44,800,000
The Washington University .....	St. Louis	48,500,000
.....		<u>\$712,000,000</u>

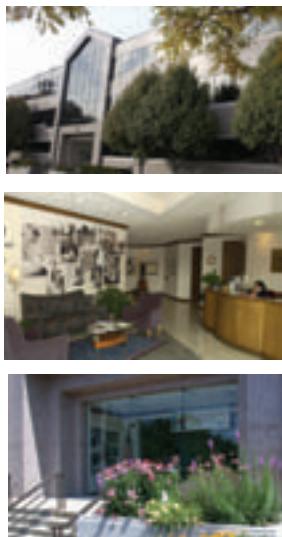
## Projects Financed

Institution 1984 .....	Location	Amount
BJC-Christian Health Services .....	St. Louis	\$25,065,000
BJC-Barnes Hospital .....	St. Louis	17,995,000
The Washington University .....	St. Louis	84,400,000
BJC-Christian Health Services .....	St. Louis	16,895,000
.....		<u>\$144,355,000</u>
Institution 1983 .....	Location	Amount
BJC-Christian Health Services .....	St. Louis	\$15,600,000
Skaggs Community Hospital Association .....	Branson	7,410,000
Cox Health System.....	Springfield	100,730,000
Freeman Health System .....	Joplin	20,710,000
Saint Louis University.....	St. Louis	19,625,000
Bethesda Health Group of St. Louis .....	St. Louis	14,285,000
Stephens College.....	Columbia	1,600,000
Sisters of Mercy Health System, St. Louis, Inc. .....	St. Louis and Springfield	71,500,000
.....		<u>\$251,460,000</u>
Institution 1982 .....	Location	Amount
Southeast Missouri Hospital Association .....	Cape Girardeau	\$19,000,000
St. Alexius Hospital.....	St. Louis	15,225,000
Hospital Equipment Financing Program.....	Statewide	29,710,000
Sisters of Mercy Health System, St. Louis, Inc .....	St. Louis and Springfield	50,000,000
Cox Health System.....	Springfield	47,000,000
Kirksville College of Osteopathic Medicine .....	Kirksville	4,000,000
Saint Louis University.....	St. Louis	10,000,000
.....		<u>\$174,935,000</u>
Institution 1981 .....	Location	Amount
Trinity Lutheran Hospital.....	Kansas City	\$25,645,000
Saint Luke's Northland Hospital .....	Smithville	4,000,000
Metropolitan Medical Center .....	St. Louis	7,000,000
Central Medical Center .....	St. Louis	23,265,000
Evangel University .....	Springfield	3,300,000
Saint Luke's/Shawnee Mission Health System .....	Kansas City	14,800,000
Incarnate Word Hospital.....	St. Louis	13,500,000
William Jewell College .....	Liberty	2,250,000
The Washington University .....	St. Louis	60,000,000
BJC-Christian Health Services .....	St. Louis	23,000,000
Saint Louis University.....	St. Louis	16,875,000
.....		<u>\$193,635,000</u>
Institution 1980 .....	Location	Amount
Heartland Health System .....	St. Joseph	\$29,415,000
Saint Louis University.....	St. Louis	10,245,000
Kirksville College of Osteopathic Medicine .....	Kirksville	3,000,000
The Washington University .....	St. Louis	21,550,000
Saint Luke's/Shawnee Mission Health System .....	Kansas City	10,000,000
BJC-St. Louis Children's Hospital .....	St. Louis	61,800,000
Valley Hope Association .....	Boonville	795,000
St. Anthony's Medical Center .....	St. Louis	5,000,000
.....		<u>\$141,805,000</u>
Institution 1979 .....	Location	Amount
Menorah Medical Center.....	Kansas City	\$20,000,000
St. Anthony's Medical Center .....	St. Louis	63,100,000
.....		<u>\$83,100,000</u>

**Missouri Health and Educational  
Facilities Authority  
Financial Statements  
with  
Independent Auditor's Report**

**Years Ended December 31, 2003 and 2002**

*SSM Health Care*



*Children's Mercy Hospital*



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# Independent Auditor's Report

## CUDNEY, ECORD, MCENROE & MULLANE L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

To the Members of the  
Missouri Health and Educational  
Facilities Authority  
Chesterfield, Missouri

We have audited the accompanying balance sheets of the Missouri Health and Educational Facilities Authority (the "Authority") as of December 31, 2003 and 2002, and the related statements of revenue, expenses and changes in fund balance, and cash flows for the years then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evalu-

ating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Authority as of December 31, 2003 and 2002 and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Cudney, Ecord, McEnroe & Mullane L.L.C.*

February 25, 2004



*The Washington University*



*Drury University*



*John Burroughs School*



*LifeFlight Eagle*



## Balance Sheets

DECEMBER 31, 2003 AND 2002

	2003	2002
<b>ASSETS</b>		
Cash and cash equivalents	\$5,198,774	\$4,829,230
Receivables	119,780	59,131
Notes receivable	1,242,409	1,307,127
Prepaid expenses	58,658	56,851
Fixed assets (net of accumulated depreciation of \$58,925 and \$81,648 in 2003 and 2002, respectively)	<u>20,087</u>	<u>23,760</u>
Total Assets	<u><u>\$6,639,708</u></u>	<u><u>\$6,276,099</u></u>
 <b>LIABILITIES AND FUND BALANCES</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 15,684	\$ 10,986
Deferred administrative fee income	<u>153,822</u>	<u>143,238</u>
Total Liabilities	<u>169,506</u>	<u>154,224</u>
Fund Balances:		
Designated (Note 2)	1,863,252	1,838,288
Undesignated	<u>4,606,950</u>	<u>4,283,587</u>
Total Fund Balances	<u>6,470,202</u>	<u>6,121,875</u>
Total Liabilities and Fund Balances	<u><u>\$6,639,708</u></u>	<u><u>\$6,276,099</u></u>

See the accompanying notes to the financial statements.

# **Statements of Revenue, Expenses and Changes in Fund Balance**

FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

	<b>2003</b>	<b>2002</b>
<b>REVENUE</b>		
Application fees	\$ 11,000	\$ 27,750
Administrative fees	988,117	909,852
Investment income	56,341	86,053
HELP interest income	63,373	65,802
Other	<u>59,952</u>	<u>48,583</u>
Total Revenue	<u>1,178,783</u>	<u>1,138,040</u>
<b>EXPENSES</b>		
Salaries and fringe benefits	281,357	232,424
General and administrative expenses	253,720	248,341
Legal and professional fees	286,814	302,335
Disposal of assets	<u>8,565</u>	<u>—</u>
Total Expenses	<u>830,456</u>	<u>783,100</u>
Revenues Over Expenses	348,327	354,940
Fund Balance, Beginning of Year	<u>6,121,875</u>	<u>5,766,935</u>
Fund Balance, End of Year	<u>\$6,470,202</u>	<u>\$6,121,875</u>

See the accompanying notes to the financial statements.

## Statements of Cash Flows

FOR THE YEARS ENDED DECEMBER 31, 2003 AND 2002

	2003	2002
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Revenue over expenses	\$ 348,327	\$ 354,940
Adjustments to reconcile net cash provided by operating activities:		
Depreciation	6,648	6,749
Bad debts	-	18,965
Disposal of assets	8,565	-
Net changes in assets and liabilities:		
Receivables	(60,649)	37,949
Prepaid expenses	(1,807)	(11,628)
Accounts payable and accrued expenses	4,698	(3,286)
Deferred administrative fee income	<u>10,584</u>	<u>(15,839)</u>
Net Adjustments	<u>(31,961)</u>	<u>32,910</u>
Net Cash Provided by Operating Activities	316,366	387,850
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Acquisition of short-term investments	(7,019,626)	(4,879,351)
Proceeds from sale of investments	7,019,626	4,879,351
Issuance of notes receivable	(200,000)	(350,000)
Payments received on notes receivable	264,718	555,500
Acquisition of capital assets	<u>(11,540)</u>	<u>(8,296)</u>
Net Cash Provided by Investing Activities	<u>53,178</u>	<u>197,204</u>
Increase in Cash and Cash Equivalents	369,544	585,054
Cash and Cash Equivalents, Beginning of Year	<u>4,829,230</u>	<u>4,244,176</u>
Cash and Cash Equivalents, End of Year	<u>\$ 5,198,774</u>	<u>\$ 4,829,230</u>

See the accompanying notes to the financial statements.

# Notes to Financial Statements

DECEMBER 31, 2003 AND 2002

## 1. ORGANIZATION

The Missouri Health and Educational Facilities Authority (the "Authority") is a public instrumentality of the State of Missouri intended to provide an additional capital financing method for non-profit health and educational institutions within the State of Missouri. The Authority may issue tax-exempt revenue bonds, notes or other obligations on behalf of non-profit institutions for the purpose of construction, improvement of facilities or the refinancing of outstanding debt. These bonds, notes or other obligations and the interest thereon do not constitute a debt or liability of the Authority, the State of Missouri or any political subdivision thereof, but are special obligations between the investors and the debtors payable solely from the payments received by the trustees under the loan agreements.

The Authority is a related organization to the State of Missouri, and as such, the State is accountable for the Authority.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Fund Accounting

The Authority accounts for its revenues, expenses, assets and liabilities related to general administrative functions in an operating fund which is maintained on the accrual basis in accordance with the principles of fund accounting.

### Fixed Assets

Fixed assets consist mainly of office furniture and equipment and are recorded at cost. Depreciation expense for fixed assets is recognized on the straight-line method over estimated useful lives ranging from 3 to 7 years.

### Deferred Administrative Fee Income

The Authority's revenues are derived from service fees assessed on a percentage of the outstanding bond principal of each issue. The institutions are generally billed in advance on a quarterly basis and revenues are recognized ratably over the period earned.

### Cash Equivalents

For purposes of the Statement of Cash Flows, the Authority considers cash equivalents to include short-term investments which generally are investments with maturities of 90 days or less when purchased that are both (1) readily convertible to known amounts of cash, or (2) so near their maturity that they present insignificant risk of changes in value because of changes in interest rates.

### Credit Risk

\$142,184 of the Authority's notes receivable are uncollateralized obligations of the non-profit institutions.

### Designated Fund Balance

The Authority has designated an amount equal to twice the annual budgeted expenses for the purpose of funding any additional programs or financial contingencies that might arise in future fiscal years. The designated amounts were \$1,863,252 for 2003 and \$1,838,288 for 2002.

### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

## 3. COMMITMENTS

### Lease Commitment

The Authority leases office space under a seventy-two month office lease agreement that was entered into in April 1997 and amended April 2003. For the years ending December 31, 2003 and 2002, rent expense was \$64,698 and \$66,315, respectively. The lease expires in 2009 with \$381,028 remaining to be paid under the agreement.

### Pension Plan

The Authority has a defined contribution retirement plan covering all full-time employees. The Authority contributes to the plan, on a quarterly basis in arrears, an amount equal to twenty percent (fifteen percent prior to June 1, 2003) of each qualified employee's salary. Such contributions are fully vested. For the years ending December 31, 2003 and 2002, expenses under this plan were \$38,162 and \$25,290, respectively.

# Notes to Financial Statements

## Deferred Compensation Plan

The Authority has a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is available to all Authority employees who qualify under the plan terms, and permits employees to defer a portion of their salary until future years. As required by the Internal Revenue Code, the plan assets have been placed in a trust for the exclusive benefit of the employees and are not the property of the Authority or subject to the claims of the Authority's general creditors. Accordingly, the assets of the plan are not reflected in the financial statements.

## 4. CASH, CASH EQUIVALENTS AND INVESTMENTS

### Cash

It is the Authority's policy for cash deposits to be fully insured by the FDIC or collateralized with securities pledged by the financial institution holding the deposits.

At December 31, 2003 and 2002, the cash balances per bank are fully insured.

### Investments

The Authority invests excess cash in obligations of U.S. Government agencies, primarily Federal National Mortgage Association notes, with maturities generally ranging from three to six months.

As required by GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, the Authority reflects investments with a maturity of one year or longer at the time of purchase at fair value and those maturing in less than one year at the time of purchase at amortized cost. As permitted by this Statement, all of the Authority's investments are carried at amortized cost. The Authority's investments are categorized to give an indication of the level of risk assumed by the Authority as either: (1) insured or registered, or for which the securities are held by the Authority or its agent in the Authority's name, (2) uninsured and unregistered for which the securities are held by the counterparty's trust department or agent in the Authority's name or (3) uninsured and unregistered for which the securities are held by the counterparty, or by its trust department or agent but not in the Authority's name. Investments at December 31, 2003 are categorized as follows:

Category 1	Carrying Amount	Fair Value
U.S. Government agency obligations	<u>\$5,163,582</u>	<u>\$5,178,361</u>

### Cash and Cash Equivalents

Cash and cash equivalents consist of the following at December 31:

	2003	2002
Petty cash	\$ 300	\$ 300
Cash accounts	34,892	56,783
Federal National Mortgage Association notes	<u>5,163,582</u>	<u>4,772,147</u>
Total	<u>\$5,198,774</u>	<u>\$4,829,230</u>

## 5. NOTES RECEIVABLE

The Authority has made non-interest bearing loans to non-profit institutions. Principal payments are due at the end of ten years through a balloon payment or annually for the next ten years. At December 31, 2003 and 2002, non-interest bearing notes receivable are as follows:

	Due	2003	2002
Central Methodist College	2003	\$ -	\$ 15,000
Hannibal School District	2004	20,000	40,000
Park College	2003	<u>-</u>	<u>25,000</u>
Total non-interest bearing notes receivable		<u>\$ 20,000</u>	<u>\$ 80,000</u>

## Notes to Financial Statements

The Authority has made loans to small and rural providers of health and educational services at an interest rate of 5% per annum on outstanding balances. These loans require monthly principal and interest payments and have a maximum maturity of ten years. At December 31, 2003 and 2002, the interest bearing notes receivable are as follows:

	Due	2003	2002
Community Hospital	2013	\$ 189,204	\$ —
Central Methodist College	2009	122,184	141,017
Clayton Child Care Center	2006	52,219	74,481
North Central Missouri College	2007	62,472	78,002
Northeast Missouri Health Council	2006	45,309	63,170
Northeast Missouri Health Council	2022	190,944	197,028
Northwest Health Services, Inc.	2006	51,844	70,186
Northwest Health Services, Inc.	2012	128,668	140,965
Macon County Samaritan Hospital	2006	70,936	92,317
Preferred Family Healthcare	2010	143,627	160,140
Putnam County Memorial Hospital	2007	88,631	114,056
St. Charles Montessori School, Inc.	2007	<u>76,371</u>	<u>95,765</u>
Total interest-bearing notes receivable		<u>1,222,409</u>	<u>1,227,127</u>
Total notes receivable		<u>\$1,242,409</u>	<u>\$1,307,127</u>

### 6. CONDUIT DEBT OBLIGATIONS

The Authority has issued debt obligations on behalf of certain non-profit institutions for the purpose of construction, improvement of facilities or the refinancing of outstanding debt. These bonds, notes or other obligations and the interest thereon do not constitute a debt or liability of the Authority, the State of Missouri or any political subdivision thereof, but are special obligations between the investors and the debtors payable solely from the payments received by the trustee under the loan agreements and meet the definition of conduit debt in Governmental Accounting Standards Board Interpretation No. 2, Disclosure of Conduit Debt Obligations. The number of issues and principal amount outstanding at December 31, 2003 and 2002 are as follows:

	2003	2002		
	Number of Issues	Principal Amount	Number of Issues	Principal Amount
Revenue Bonds Payable	131	\$5,225,994,269	121	\$4,644,288,930
School District Advance Funding and Private Education Notes Payable	22	111,050,000	23	73,625,000
Community Provider Pooled Loan Program Bonds Payable	—	—	10	1,495,000
Total	<u>153</u>	<u>\$5,337,044,269</u>	<u>154</u>	<u>\$4,719,408,930</u>

*Saint Luke's Health System*



*Lutheran High School of St. Charles County*



## **Independent Auditor's Report on Additional Information**

### **CUDNEY, ECORD, McENROE & MULLANE L.L.C.**

CERTIFIED PUBLIC ACCOUNTANTS

To the Members of the  
Missouri Health and Educational Facilities Authority  
Chesterfield, Missouri

Our report on our audits of the basic financial statements of the Missouri Health and Educational Facilities Authority for the years ended December 31, 2003 and 2002 appears on page 22. Those audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The Schedule of Conduit Debt is presented for pur-

poses of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing proce-

dures applied in the audits of the basic financial statements and, accordingly, we express no opinion on it.

*Cudney, Ecord, McEnroe & Mullane L.L.C.*

February 25, 2004

# Schedule of Conduit Debt

UNAUDITED DECEMBER 31, 2003 AND 2002

## Mortgage and Revenue Bonds Payable

The following revenue bonds of the Authority are collateralized by either or both of a pledge of the revenues of the borrowing institution or by first mortgages on the physical property financed with the proceeds of the debt offerings and by the Authority's assignment of its interest in the mortgaged properties to the trustees of the bond issues at December 31, 2003 and 2002:

### Public Placement Revenue Bonds Payable:

Institution	Series	Due in Varying Installments During	Range of Annual Interest Rate Percentages	2003	2002
Academie Lafayette	2003	2028	(1)	\$ 2,550,000	\$ —
Ascension Health	2003	2026-2039	(1)	295,375,000	—
Assemblies of God	2001	2026	(1)	80,000,000	80,000,000
Barstow School	1998	2002-2023	4.2-5.4	3,535,000	3,635,000
Barstow School	2003	2026	(1)	6,000,000	—
BJC-Barnes Hospital	1985	2002-2015	(1)	31,600,000	32,900,000
BJC Health System	1993	2002-2021	4.4-6.0	208,865,000	219,470,000
BJC Health System	1998	2022-2038	5.0	225,000,000	225,000,000
BJC Health System	2003	2016-2033	4.125-5.25	221,000,000	—
Bethesda Health Group	2001A,B	2031	(1)	53,155,000	54,385,000
Capital Region-Still	1998	2002-2028	4.0-5.3	22,745,000	23,210,000
Central Institute for the Deaf	1999	2002-2022	4.45-5.85	23,815,000	24,545,000
Central Missouri State University	1999	2002-2010	4.25-5.05	5,195,000	5,895,000
Central Missouri State University	2002	2002-2017	1.25-4.35	13,920,000	14,340,000
The Children's Mercy Hospital	1993	2002-2023	4.75-5.65	—	29,335,000
The Children's Mercy Hospital	1998	2002-2028	4.2-5.3	19,740,000	19,925,000
The Children's Mercy Hospital	2002	2002-2032	(1)	50,000,000	50,000,000
The Children's Mercy Hospital	2003	2004-2018	(1)	27,500,000	—
Christian Brothers College HS	2002	2002-2032	(1)	50,000,000	50,000,000
		ABC			
City Academy	2003	2023	(1)	8,735,000	—
Cox Medical Center	1992	2002-2022	4.5-6.7	12,602,292	12,602,292
Cox Medical Center	1993	2002-2015	5.0-5.35	44,685,000	47,235,000
Cox Medical Center	1997	2002-2015	(1)	34,700,000	36,900,000
Cox Medical Center	2002	2002-2022	(1)	82,400,000	85,000,000
Deaconess Long-Term Care	1996	2002-2016	(1)	29,080,000	30,225,000
Deaconess Long-Term Care	2000	2016	(1)	6,465,000	6,465,000
De Smet Jesuit High School	2002	2002-2027	(1)	15,000,000	15,000,000
Drury College	1999A	2002-2024	(1)	29,715,000	30,605,000
Drury University	2003	2028	(1)	5,600,000	—
Fontbonne College	1998	2002-2023	4.2-5.25	8,290,000	8,530,000
Freeman Hospital	1994	2002-2024	6.5-7.2	49,255,000	50,425,000
Freeman Health System	1998	2002-2028	4.4-5.25	22,275,000	23,320,000
Hannibal/LaGrange College	2001	2031	(1)	7,435,000	7,435,000
Health Midwest	1992A	2002-2015	5.6-6.4	—	5,900,000
Health Midwest	1992B	2002-2022	5.5-6.25	—	113,845,000
Health Midwest	1994BC	2002-2024	5.1-6.25 (2)	—	33,360,000
Jefferson Memorial Hospital	1993B	2002-2023	5.0-6.0	17,025,000	17,460,000
Jefferson Memorial Hospital	1995	2002-2025	5.4-6.8	15,820,000	16,145,000
John Burroughs School	1994	2002-2014	4.1-5.25	—	6,700,000
John Burroughs School	2003	2004-2014	1.25-4.2	6,640,000	—

## Schedule of Conduit Debt

UNAUDITED DECEMBER 31, 2003 AND 2002

Institution	Series	Due in Varying Installments During	Range of Annual Interest Rate Percentages	2003		2002	
				\$	—	\$	10,000,000
Kansas City Art Institute	1999	2029	(1)	\$	—	\$	10,000,000
Lake of the Ozarks General Hospital	1996	2002-2021	5.25-6.5	5,660,000		6,095,000	
Lake of the Ozarks Hospital	1998	2002-2024	4.2-5.25	33,935,000		34,530,000	
Lake Regional Health System	2003	2005-2034	2.35-5.7	27,470,000		—	
Lutheran HS Assoc. Project	2002	2002-2022	(1)	6,500,000		6,500,000	
Lutheran Senior Services	1996AB	2002-2027	5.15-6.375 (2)	23,390,000		23,820,000	
Lutheran Senior Services	1997	2002-2023	5.0-5.875	22,400,000		23,005,000	
Lutheran Senior Services	2000	2031	(1)	50,000,000		50,000,000	
Maryville University	1997	2002-2017	4.7-5.75	7,820,000		8,190,000	
Maryville University	2000	2022-2030	6.5-6.75	15,000,000		15,000,000	
Missouri Baptist College	1998	2002-2023	4.2-5.15	3,490,000		3,590,000	
Missouri Baptist College	2003	2022	(1)	7,420,000		—	
Missouri Direct Deposit Program Pool	1997	2002-2004	4.45-4.625	25,000		75,000	
Missouri Pooled Hospital Loan Program	1999A	2029	(1)	17,925,000		18,530,000	
Missouri Valley College	2001	2031	(1)	8,360,000		8,360,000	
National Benevolent Association	1994	2002-2024	4.5-6.1	3,535,000		3,645,000	
National Benevolent Association	1996A	2002-2026	5.7-6.75	2,120,000		2,160,000	
National Benevolent Association	1996B	2002-2026	(1)	2,440,000		2,485,000	
National Benevolent Association	1999	2002-2028	(1)	2,640,000		2,695,000	
Park College	1999	2002-2019	5.55-5.875	5,405,000		5,550,000	
Pembroke Hill School	1998	2002-2023	(1)	13,750,000		14,000,000	
Pembroke Hill School	2000	2002-2025	(1)	9,550,000		9,700,000	
Pembroke Hill School	2001	2002-2026	(1)	9,700,000		9,850,000	
Ranken Technical College	1997	2002-2017	4.7-5.5	—		6,050,000	
Ranken Technical College	2003	2004-2017	(1)	7,785,000		—	
Rockhurst High School	1998AB	2002-2023	4.0-5.1	12,750,000		12,800,000	
Rockhurst High School	2002	2002-2027	(1)	5,500,000		5,500,000	
Rockhurst University	1999	2002-2028	3.5-5.5	14,435,000		14,730,000	
Rockhurst University	2002	2003-2032	(1)	26,810,000		27,275,000	
Sisters of Mercy	1989	2002-2019	(1)	54,900,000		57,400,000	
Sisters of Mercy	ABCD						
Sisters of Mercy	1992B	2002-2014	(1)	22,100,000		23,000,000	
Sisters of Mercy	1993	2002-2019	4.7-5.1	3,005,000		3,125,000	
Sisters of Mercy	2001	2031	(1)	378,300,000		378,300,000	
Sisters of Mercy	ABC						
Southwest Baptist University	1998	2002-2023	4.55-5.4	6,200,000		6,375,000	
Southwest Baptist University	2003	2006-2033	(1)	8,000,000		—	
Southwest Missouri State University	2002	2002-2016	1.35-4.35	5,090,000		5,445,000	
SSM Health Care	1992AA	2002-2016	5.6-6.4	25,960,000		25,960,000	
SSM Health Care	1995	2022-2025	(1)	42,400,000		42,400,000	
SSM Health Care	BCDE						
SSM Health Care	1998	2002-2022	5.0-5.5	280,210,000		286,310,000	
SSM Health Care	2001A	2012-2028	5.25	248,570,000		248,570,000	
SSM Health Care	2002AB	2002-2020	(1)	124,065,000		133,565,000	
St. Anthony's Medical Center	2000	2002-2030	5.75-6.25	83,960,000		85,180,000	

## Schedule of Conduit Debt

Institution	Series	UNAUDITED DECEMBER 31, 2003 AND 2002			
		Due in Varying Installments During	Range of Annual Interest Rate Percentages	2003	2002
St. Francis Medical Center	1996	2002-2026	(1)	\$ 21,830,000	\$ 22,345,000
St. Louis Charter School	2002AB	2002-2023	4.35-5.1	6,130,000	6,130,000
St. Louis College of Pharmacy	2001	2002-2031	3.0-5.25	49,285,000	50,155,000
St. Louis Priory School	2000	2002-2025	4.45-5.65	6,105,000	6,255,000
St. Louis University	1985B	2001-2005	(1)	1,200,000	1,800,000
St. Louis University	1991	2002-2016	6.15-6.625	1,341,279	1,862,024
St. Louis University	1993	2002-2016	4.2-5.0	—	14,710,000
St. Louis University	1996	2002-2026	4.2-5.2	46,005,000	47,060,000
St. Louis University	1998	2002-2018	4.0-5.5	61,550,000	64,470,000
St. Louis University	1999AB	2002-2024	5.0	58,900,000	61,065,000
St. Louis University	2002	2002-2032	(1)	19,000,000	24,000,000
St. Louis University	2003A	2016	(1)	19,265,000	—
St. Louis University High School	1999	2002-2028	3.4-5.041	16,935,000	17,310,000
St. Luke's Episc.- Presb. Hospital	2001	2003-2026	3.35-5.25	97,650,000	100,000,000
St. Luke's/Shawnee Mission Health System	1993	2002-2019	4.25-5.125	99,775,000	103,825,000
St. Luke's/Shawnee Mission Health System	1996	2002-2021	4.3-5.375	28,930,000	29,670,000
St. Luke's Health System	2003AB	2020-2032	(1)	125,000,000	—
Stephen's College	1999	2002-2029	4.5-5.7	4,155,000	4,220,000
Stowers Institute	2000	2035	(1)	215,000,000	215,000,000
Stowers Institute	2002	2002-2036	(1)	75,000,000	75,000,000
Swope Parkway Health Center	1999	2002-2019	(1)	3,700,000	3,900,000
University of Health Sciences	2001	2002-2031	2.75-5.0	8,105,000	8,205,000
University of Missouri Arena Project	2001	2004-2021	3.0-5.0	35,000,000	35,000,000
Visitation Academy	1999	2005-2009	4.15-4.5	6,300,000	6,300,000
Washington University	1984	2001-2009	(1)	12,200,000	14,300,000
Washington University	1985	2002-2010	(1)	9,700,000	10,700,000
Washington University	1995	2005	4.75	7,600,000	7,600,000
Washington University	1996	2030	(1)	142,400,000	142,400,000
Washington University	1998	2037	4.75-5.0	105,770,000	105,770,000
Washington University	1999A	2002-2004	3.75-4.15	995,000	2,925,000
Washington University	2000	2030-2040	(2)	88,000,000	88,000,000
	ABC				
Washington University	2000D	2002-2004	4.35-4.85	1,260,000	3,680,000
Washington University	2001A	2011-2041	5.25-5.5	176,490,000	176,490,000
Washington University	2001B	2030	5.0	73,355,000	73,355,000
Washington University	2003A	2033	5.0	93,430,000	—
Washington University	2003B	2033	(1)	25,135,000	—
Webster University	2001	2003-2027	3.625-5.3	34,220,000	35,000,000
William Jewell College	1996	2002-2011	4.5-5.4	4,195,000	4,615,000
William Jewell College	1999	2012-2029	5.5-6.125	8,000,000	8,000,000
William Woods Univ.	1999	2002-2029	3.5-5.2	7,450,000	7,595,000
Total public placement revenue bonds payable				\$5,160,653,571	\$4,578,269,316

Total public placement revenue bonds payable

\$5,160,653,571

\$4,578,269,316

## Schedule of Conduit Debt

UNAUDITED DECEMBER 31, 2003 AND 2002

**Private Placement Revenue Bonds Payable:**

Institution	Series	Due in Varying Installments During	Range of Annual Interest Rate Percentages	2003		2002	
BJC-Christian Health Services	1989	2002-2019	(1)	\$ 12,000,000		\$ 12,500,000	
Community School Association	1996	2002-2016	6.95	768,848		810,220	
Dialysis Clinic	1998	2002-2018	(1)	3,300,000		3,400,000	
Dialysis Clinic	2000	2020	(1)	4,000,000		4,000,000	
Family Care Health Center	2001	2001-2019	6.53	3,051,621		3,144,327	
Forsyth School	1996	2002-2016	6.99	938,900		983,500	
Health Midwest	1998	2002-2015	4.7-5.6	—		11,500,000	
Kansas City Academy	1993	2002-2013	6.5	126,421		135,762	
Lake Regional Health System	2001	2001-2006	5.38	663,114		810,450	
Lake Regional Hospital	1999	2002-2006	6.1	697,302		876,740	
Life Flight Eagle Lease	2003	2004-2013	5.25	4,400,000		—	
Living Word Christian School	2002	2002-2027	(1)	4,720,455		4,836,671	
Lutheran High School Association of St. Charles	2003A	2004-2023	(1)	3,154,363		—	
SSM Health Care	2000	2002-2005	5.65	1,415,821		2,295,630	
SSM Health Care	2001B	2002-2008	3.73-4.23	5,362,838		7,142,983	
SSM Health Care Lease	2002	2002-2012	4.27	7,601,264		9,496,021	
SSM Health Care	2003B	2003-2008	3.09	9,295,099		—	
Truman Medical Center	2002	2002-2012	5.47	3,844,652		4,087,310	
Total private placement revenue bonds payable				<u>65,340,698</u>		<u>66,019,614</u>	
Total revenue bonds payable				<u>\$5,225,994,269</u>		<u>\$4,644,288,930</u>	

(1) Rate fluctuates within established minimum and maximum ranges.  
 (2) Interest rate range applies to a portion of this bond issue, and a variable rate applies to the remainder.

## Schedule of Conduit Debt

UNAUDITED DECEMBER 31, 2003 AND 2002

### School District Advance Funding and Private Education Notes Payable

The Authority issued public school notes for the purpose of providing funds to purchase the tax and revenue anticipation notes ("TRANS") of certain Missouri school districts and to assist them in maintaining an orderly cash flow. These notes are collateralized by the "TRANS", bear interest at the rate of 1.15 – 1.18% per annum, and were issued pursuant to Indentures of Trust.

On April 24, 2003, the Authority issued private education notes in the total amount of \$14,150,000. The notes mature on April 23, 2004, at an interest rate of 2.25 – 3.0% per annum, and were issued pursuant to an Indenture of Trust for the purpose of providing funds and to assist in maintaining an orderly cash flow. The notes are secured by a pledge of the Trust Estate, using any and all available resources.

#### Public School Notes Payable:

At December 31, 2003 and 2002, the outstanding public school notes payable were as follows:

Institution	2003	2002
Bayless School District	\$ 1,000,000	\$ 1,500,000
Brentwood School District	2,500,000	2,100,000
Camdenton School District	–	3,050,000
Cape Girardeau School District	–	5,000,000
Clayton School District	3,000,000	2,500,000
Dunklin R-V School District	2,000,000	–
Fort Zumwalt R-II School District	6,000,000	–
Grandview School District	1,500,000	–
Hannibal School District	–	1,200,000
Hickman Mills School District	2,500,000	–
Independence School District	–	5,000,000
Jefferson City School District	2,500,000	3,300,000
Joplin R-VIII School District	–	–
Knox County R-I School District	300,000	–
Liberty 53 School District	13,000,000	6,000,000
Maryville R-II School District	600,000	1,400,000
Mehlville School District	7,500,000	8,500,000
Park Hill School District	10,000,000	10,000,000
Special School District of St. Louis MO	4,000,000	–
St. Louis City School District	35,000,000	–
Trenton R-IX School District	500,000	–
Webster Groves School District	5,000,000	1,725,000
Windsor C-I School District	–	915,000
Total public school notes payable	<u>\$ 96,900,000</u>	<u>\$ 52,190,000</u>

#### Private Education Notes Payable:

Institution	2003	2002
Drury College	\$ –	\$ 4,500,000
Central Methodist College	1,200,000	1,470,000
Evangel University	3,000,000	3,000,000
Kansas City Art Institute	–	735,000
Missouri Valley College	1,500,000	1,500,000
Rockhurst University	5,350,000	–
Stephens College	3,100,000	3,100,000
Westminster College	–	2,500,000
William Jewell College	–	2,300,000
William Woods University	–	2,330,000
Total private education notes payable	<u>14,150,000</u>	<u>21,435,000</u>
Total public school and private education notes payable	<u>\$111,050,000</u>	<u>\$73,625,000</u>

## Schedule of Conduit Debt

UNAUDITED DECEMBER 31, 2003 AND 2002

### Community Provider Pooled Loan Program Bonds Payable

During 1993, the Authority issued insured refunding revenue bonds in the amount of \$7,195,000 under the Community Provider Pooled Loan Program. The proceeds were used to refinance the 1988 issue and provide additional funds for not-for-profit corporations which own and operate mental health care centers or clinics for persons affected by mental disorders or developmental disabilities. The bonds mature in annual installments, with final maturity July 1, 2003. Outstanding bonds at December 31, 2002 bear interest at 5% per annum.

At December 31, 2003 and 2002, the outstanding bonds are as follows:

Institution	2003	2002
Burrell Center	\$ -	\$ 432,105
Butterfield Youth Services	-	10,808
Cerebral Palsy of Tri-County	-	28,082
Chariton Valley Association for Handicapped	-	63,510
Crider Center	-	116,091
Family Counseling Center	-	84,470
Greene County Association for Retarded Children	-	90,521
North Central Missouri MHC	-	62,645
Ozark Center	-	88,267
Harry S. Truman Children's Neurological Center	-	518,501
Total community provider pooled loan program bonds provided	\$ -	\$1,495,000

### Maturities of Outstanding Conduit Debt Obligations

The aggregate maturities of the outstanding conduit debt obligations above at December 31, 2003, are as follows:

Year	Amount	Year	Amount	Year	Amount
2004	\$203,655,728	2018	\$ 90,661,408	2032	\$ 159,745,000
2005	104,820,064	2019	144,561,604	2033	192,775,000
2006	100,469,841	2020	120,961,241	2034	23,530,000
2007	102,010,533	2021	227,633,864	2035	237,720,000
2008	105,278,894	2022	153,583,118	2036	103,240,000
2009	99,424,720	2023	135,633,222	2037	123,870,000
2010	100,746,904	2024	149,180,940	2038	19,005,000
2011	106,549,488	2025	162,637,084	2039	193,325,000
2012	106,353,718	2026	333,433,687	2040	88,000,000
2013	128,746,939	2027	184,513,165	2041	58,100,000
2014	147,393,180	2028	148,990,000		
2015	128,249,308	2029	107,415,000		
2016	154,074,566	2030	326,505,000		
2017	90,811,053	2031	173,440,000		
					\$5,337,044,269

## Schedule of Conduit Debt

UNAUDITED DECEMBER 31, 2003 AND 2002

### Defeased Bond Issues

Since 1983, certain institutions obtained financing to advance refund and defease their outstanding Revenue Bonds through the Authority.

Pursuant to the requirements of the bond loan agreements, the institutions have deposited amounts into escrow trust accounts sufficient to pay all outstanding principal, interest and redemption premiums as they become due. The amounts so transferred are pledged solely for the holders of the outstanding bonds.

At December 31, 2003 and 2002, the following amounts of advance refunded and defeased bonds were outstanding:

Institution	Series	2003	2002
Bethesda Health Group	1994A	\$ 18,795,000	\$ 18,795,000
BJC Health Systems	1994A	128,125,000	134,590,000
Central Missouri State University	1995	6,340,000	6,340,000
Heartland Health	1993	—	30,195,000
Lake of the Ozarks General Hospital	1996	8,595,000	8,595,000
Missouri College Savings Bonds	1989	6,634,943	8,070,512
Park College	1994	280,000	545,000
Ranken Technical College	1997	5,775,000	—
Southwest Missouri State University	1996	—	5,155,000
St. Louis University High School	1994	10,910,000	11,590,000
St. Louis University	1993	—	28,705,000
University of Health Sciences	1994	3,880,000	4,120,000
Washington University	2000	<u>67,000,000</u>	<u>67,000,000</u>
Total defeased bond issues		<u>\$256,334,943</u>	<u>\$323,700,512</u>

Due to the defeasance of these bond issues, the bonds payable balances are not included in the Schedule of Conduit Debt Obligations above.



*Academie Lafayette*



### **Mission Statement**

The Mission of the Health and Educational Facilities Authority of the State of Missouri is to provide access to the capital markets in an effort to lower the cost of health and educational services in Missouri by providing high quality, readily available, low cost financing alternatives for Missouri public and private, non-profit health and educational institutions.

*Lake Regional Health System*



*Ranken Technical College*